

News Release

Schroders receives permission to form Schroder BOCOM Wealth Management in Mainland China

22 February 2021

Schroder Investment Management Limited has received regulatory permission to establish Schroder Bank of Communications Wealth Management Co., Ltd. ("Schroder BOCOM Wealth Management") in Shanghai with BOCOM Wealth Management Co., Ltd ("BOCOM Wealth Management"). The proposed entity is the third wealth management joint venture partnership having received such regulatory permission, and the latest collaboration between Schroders and Bank of Communications ("BOCOM") since the establishment of BOCOM Schroder Fund Management Co., Ltd in 2005.

Schroder BOCOM Wealth Management will be majority owned by Schroder Investment Management Limited with a 51% stake in the company, while BOCOM Wealth Management will hold 49% of shares.

Peter Harrison, Schroders Group Chief Executive Officer, commented:

"Schroders has long been committed to the Chinese market. We opened our first office in 1994 in Shanghai and have ever since been focused on developing our footprint in this exciting and dynamic country.

"The Chinese market represents a significant opportunity for Schroders, entailing the world's second and third largest equity and bond markets respectively. As a result of our focus on China, we have been able to support both overseas investors looking to diversify into China and Chinese institutions keen to invest in the rest of the world.

"And, thanks to our partnership with BOCOM, this announcement today marks another key milestone in our continued growth in the region."

Lieven Debruyne, Schroders Global Head of Distribution, commented:

"Today's announcement further demonstrates how our strategic partnership with BOCOM continues to grow and develop. We look forward to being able to support savers in China with innovative investment products which will serve as an alternative to more traditionally focused wealth management offerings which are typically available.

Our partnership with BOCOM dates back to 2005. The two firms have gained valuable experience and trust in its partnership of over 15 years with our mutual confidence and understanding transcending both businesses.

"This partnership has until now enabled us to support the asset management needs of investors on the mainland and we are now well placed to grow our onshore wealth management proposition."

Schroders is a global investment and wealth manager with 216 years of investment experience. It employs more than 5,000 staff globally, including 750 investment professionals located in 35 financial centres around

the world. It has deep capability of investing in equities, multi-assets, fixed income, and private assets, as well as in offering relevant investment solutions.

Schroders' global investment capability, distribution network and client servicing resources complement those of BOCOM Wealth Management, creating a strong synergy between the two businesses.

The next phase will be for Schroders and BOCOM Wealth Management to work closely together to set up Schroder BOCOM Wealth Management, further details on this will be announced in due course.

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About Schroders

Schroders opened its first representative office in **Shanghai in 1994**.

- In 2005, it partnered with Bank of Communications to establish its Fund Management Company joint venture, Bank of Communications Schroder Fund Management Co., Ltd., to answer investors' growing needs for fund investments.
- In 2007, it began working with foreign banks, using their QDII quota to provide clients with overseas investment opportunities.
- In 2017, Schroders received regulatory approval on an Asia-themed multi-asset income fund under the Mutual Recognition of Funds scheme.
- In 2018, Schroders launched its first private fund in China, underscoring its commitment to creating innovative investment solutions to cater to the unique investment needs of high net worth individuals and qualified institutional investors.

As a global investment manager, we actively and responsibly manage investments for a wide range of institutions and individuals, to help them meet their financial goals and prepare for the future. The world is forever changing, and with our clients at the centre of everything we do, we understand the need to continue to adapt and evolve our business in line with what matters most to our clients today, and in the future.

Our ongoing success is built on a history of experience and expertise, whereby we partner with our clients to construct innovative products and solutions across our five business areas consisting of Private Assets & Alternatives, Solutions, Mutual Funds, Institutional and Wealth Management and invest in a wide range of assets and geographies. By combining our commitment to active management and focus on sustainability, our strategic capabilities are designed to deliver positive outcomes for our clients.

We are responsible for £525.8 billion (€578.4 billion/\$649.6 billion)* assets of our clients, managed locally by 42 investment teams worldwide. As a global business with over 5,000 talented staff across 35 locations, we are able to stay close to our clients and understand their needs. We have over 200 years of experience in investment and innovation and remain committed to creating a better future by investing responsibly for our clients.

Further information about Schroders can be found at www.schroders.com.

*as at 30 June 2020

About BOCOM Wealth Management

BOCOM Wealth Management, the wholly-owned subsidiary of Bank of Communications, was inaugurated on 13th June 2019. As the first batch of bank wealth management subsidiaries officially opened, BOCOM Wealth Management is the first company to take over bank's existing wealth management business through a consignment model, and it has launched banking industry's first wealth management product completely complies with the new asset management regulations.

At present, BOCOM Wealth Management is committed to develop a wealth management product platform which mainly constituted by fixed income products, supplemented by equity, commodities, financial derivatives, and hybrid products. Currently, the total amount of managed products has exceeded 1.1 trillion Yuan.

Since establishment, BOCOM Wealth Management have been widely recognized, it has received the Outstanding Contribution Award of Wealth Management in China's Banking Industry, Outstanding Unit Award for Wealth Management Information Registration, and Jun Ding Award for Close-ended Net Value Wealth Management Products of Banks in China, Best Asset Management Institute Award for Responsible Investment in China, as well as the Golden Bull Award, Golden Wealth Management Award, Golden Tripod Award, and Golden Responsibility Award.

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